



MICROLINK SOLUTIONS BERHAD

Company no. 200301018362 (620782 - P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

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MICROLINK SOLUTIONS BERHAD (200301018362 (620782 - P))
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021**

| | INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH | | CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH | |
|---|--|-----------------------------|--|---------------------------|
| | 2021 RM'000 Unaudited | 2020 RM'000 Unaudited | 2021 RM'000 Unaudited | 2020 RM'000 Audited |
| Revenue | 36,943 | 66,699 | 178,177 | 221,207 |
| Cost of sales | (31,009) | (51,766) | (141,171) | (176,353) |
| Gross profit | 5,934 | 14,933 | 37,006 | 44,854 |
| Other operating income | 36,439 | 840 | 40,621 | 2,752 |
| Selling and distribution expenses | (214) | (260) | (931) | (700) |
| Administrative expenses | (9,033) | (12,764) | (26,007) | (24,643) |
| Finance costs | (366) | (846) | (1,801) | (2,962) |
| Other operating expenses | (12,762) | 3,105 | (15,280) | (5,236) |
| Profit before taxation | 19,998 | 5,008 | 33,608 | 14,065 |
| Taxation | (1,066) | (1,248) | (2,079) | (3,718) |
| Profit for the period | 18,932 | 3,760 | 31,529 | 10,347 |
| Other comprehensive income, net of tax - item that may be reclassified subsequently to profit or loss: | | | | |
| Foreign currency translations for foreign operations, net of tax | - | (5) | 12 | 225 |
| Income tax relating to components of other comprehensive income | | | | |
| Other comprehensive income for the period, net of tax | - | (5) | 12 | 225 |
| Total comprehensive income for the period | 18,932 | 3,755 | 31,541 | 10,572 |
| Profit attributable to: | | | | |
| Owners of the parent | 19,029 | 3,674 | 31,506 | 10,348 |
| Non-controlling interests | (97) | 86 | 23 | (1) |
| | 18,932 | 3,760 | 31,529 | 10,347 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 19,029 | 374 | 31,503 | 10,589 |
| Non-controlling interests | (97) | 81 | 38 | (17) |
| | 18,932 | 3,755 | 31,541 | 10,572 |
| Earnings per share (sen): | | | | |
| Basic | 7.89 | 2.13 | 15.74 | 6.18 |
| Diluted | 7.89 | 2.13 | 15.74 | 6.18 |

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

MICROLINK SOLUTIONS BERHAD (200301018362 (620782 - P))
Incorporated in Malaysia

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

| | As At 31 March 2021 RM'000 Unaudited | As At 31 March 2020 RM'000 Audited |
|--|---|---|
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 397 | 377 |
| Right-of-use assets | 4,161 | 3,770 |
| Goodwill | 18,409 | 18,409 |
| Software development expenditure | 52,827 | 2,963 |
| Other investments | 105 | 105 |
| Lease receivables | - | 620 |
| Deferred tax assets | 3,238 | 3,333 |
| | <u>79,137</u> | <u>29,577</u> |
| Current Assets | | |
| Inventories | 2,439 | 2,132 |
| Contract costs | 5,441 | 6,216 |
| Other investments | 99 | 110 |
| Trade receivables | 31,794 | 72,825 |
| Other receivables, deposits and prepayments | 19,336 | 19,346 |
| Contract assets | 6,616 | 3,640 |
| Lease receivables | 620 | 1,781 |
| Amount owing by ultimate holding company | 27,306 | 300 |
| Amount owing by immediate holding company | 15,474 | 217 |
| Current tax assets | 3,188 | 1,677 |
| Cash and bank balances | 11,014 | 22,790 |
| | <u>123,327</u> | <u>131,034</u> |
| TOTAL ASSETS | <u>202,464</u> | <u>160,611</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Parent | | |
| Share capital | 105,583 | 52,833 |
| Reserves | 42 | 45 |
| Retained Earnings / (Accumulated losses) | 13,596 | (14,215) |
| | <u>119,221</u> | <u>38,663</u> |
| Non-controlling interests | 481 | 444 |
| TOTAL EQUITY | <u>119,702</u> | <u>39,107</u> |
| Non-Current Liabilities | | |
| Provision for gratuity obligations | 2,135 | 1,908 |
| Other payables and accruals | 146 | 146 |
| Lease liabilities | 2,884 | 3,726 |
| | <u>5,165</u> | <u>5,780</u> |
| Current Liabilities | | |
| Trade payables | 17,315 | 42,858 |
| Other payables and accruals | 17,748 | 24,153 |
| Contract liabilities | 16,867 | 28,456 |
| Amount owing to ultimate holding company | 59 | 782 |
| Amount owing to immediate holding company | 65 | 37 |
| Amounts owing to related companies | 1,293 | 172 |
| Borrowings | 20,388 | 13,058 |
| Lease liabilities | 2,142 | 5,051 |
| Current tax liabilities | 1,720 | 1,157 |
| | <u>77,597</u> | <u>115,724</u> |
| TOTAL LIABILITIES | <u>82,762</u> | <u>121,504</u> |
| TOTAL EQUITY AND LIABILITIES | <u>202,464</u> | <u>160,611</u> |
| Net assets per share (RM) | <u>0.50</u> | <u>0.21</u> |

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

MICROLINK SOLUTIONS BERHAD (200301018362 (620782 - P))
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021**

<----- Non-distributable ----->

| | Share capital RM | Equity compensation reserve RM | Exchange Translation reserve RM | Retained Earnings / (Accumulated losses) RM | Total attributable to owners of the parent RM | Non-controlling interests RM | Total equity RM |
|--|---------------------|-----------------------------------|------------------------------------|--|--|---------------------------------|--------------------|
| Unaudited | | | | | | | |
| 12 months ended 31 March 2021 | | | | | | | |
| At 1 April 2020 (audited) | 52,833 | - | 45 | (14,215) | 38,663 | 444 | 39,107 |
| Profit for the period | - | - | - | 31,506 | 31,506 | 23 | 31,529 |
| Foreign currency translation for foreign operations | - | - | (3) | - | (3) | 14 | 11 |
| Total comprehensive income for the period | - | - | (3) | 31,506 | 31,503 | 37 | 31,540 |
| Transaction with owners | | | | | | | |
| Ordinary shares issued pursuant to private placement | 50,080 | - | - | - | 50,080 | - | 50,080 |
| Shares issued pursuant to Employee Share Grant Plan ("ESGP") | 2,670 | - | - | - | 2,670 | - | 2,670 |
| Dividends paid | - | - | - | (3,695) | (3,695) | - | (3,695) |
| Total transactions with owners | 52,750 | - | - | (3,695) | 49,055 | - | 49,055 |
| At 31 March 2021 | 105,583 | - | 42 | 13,596 | 119,221 | 481 | 119,702 |
| Audited | | | | | | | |
| 12 months ended 31 March 2020 | | | | | | | |
| At 1 April 2019 | 43,628 | 6,216 | (195) | (30,968) | 18,681 | 460 | 19,141 |
| Profit for the period | - | - | - | 10,349 | 10,349 | (1) | 10,348 |
| Foreign currency translation for foreign operations | - | - | 240 | - | 240 | (15) | 225 |
| Total comprehensive income for the period | - | - | 240 | 10,349 | 10,589 | (16) | 10,573 |
| Transaction with owners | | | | | | | |
| Ordinary shares issued pursuant to private placement | 9,205 | - | - | - | 9,205 | - | 9,205 |
| Share based payment transactions | - | 188 | - | - | 188 | - | 188 |
| Employee Share Option Scheme lapsed | - | (6,404) | - | 6,404 | - | - | - |
| Total transactions with owners | 9,205 | (6,216) | - | 6,404 | 9,393 | - | 9,393 |
| At 31 March 2020 | 52,833 | - | 45 | (14,215) | 38,663 | 444 | 39,107 |

Note:

These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

(The figures have not been audited)

| | Current Year 12 months ended 31 March 2021 RM'000 Unaudited | Preceding Year 12 months ended 31 March 2020 RM'000 Audited |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 33,608 | 14,065 |
| Adjustments for non-cash items: | | |
| Amortisation of software development expenditure | 1,938 | 1,556 |
| Depreciation of property, plant and equipment | 175 | 225 |
| Depreciation of right-of-use assets | 886 | 833 |
| Employees share option scheme expense | - | 188 |
| Employee share grant plan expenses | 2,669 | - |
| Impairment losses on trade receivables | 10,883 | 779 |
| Interest expense | 2,105 | 2,961 |
| Interest income | (366) | (577) |
| Inventories written off | - | 969 |
| Property, plant and equipment written off | - | 1 |
| Reversal of impairment loss on | | |
| - trade receivables | - | (1,605) |
| - amount due from ultimate holding company | - | (5) |
| - amount due from immediate holding company | - | (43) |
| Net unrealised (gain) / loss on foreign exchange | (12) | 17 |
| Reversal of impairment loss on software development expenditure | (38,744) | - |
| Provision for gratuity obligation | 227 | 359 |
| Loss on liquidation of subsidiary | - | 806 |
| Operating profit before working capital changes | <u>13,369</u> | <u>20,530</u> |
| Net changes in assets | 29,508 | (31,397) |
| Net changes in liabilities | (42,423) | 31,616 |
| Net cash used in operations | <u>454</u> | <u>20,749</u> |
| Interest received | 106 | 221 |
| Tax paid | (3,029) | (2,538) |
| Tax refunded | 2 | 4,619 |
| Net cash (used in) / from operating activities | <u>(2,467)</u> | <u>23,051</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Addition of software development expenditure | (13,058) | (227) |
| Advances to ultimate holding company | (27,729) | (1,099) |
| (Advances to)/Repayment from immediate holding company | (15,229) | 5,735 |
| Interest received | 260 | 356 |
| Withdrawal of deposits pledged to licensed banks | 2,922 | 3,370 |
| (Withdrawal)/Purchase of other investments | 11 | (3) |
| Purchase of property, plant and equipment | (1,471) | (97) |
| Net cash (used in) / from investing activities | <u>(54,294)</u> | <u>8,035</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (3,695) | - |
| Interest paid | (1,650) | (2,227) |
| Proceeds from issue of shares pursuant to private placement | 50,080 | 9,205 |
| Drawdown/(Repayments) of borrowings | 9,540 | (11,436) |
| Payments of lease liabilities | (4,205) | (5,491) |
| Redemption of redeemable preference shares | - | (25,193) |
| Net cash from / (used in) financing activities | <u>50,070</u> | <u>(35,142)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (6,691) | (4,056) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 13,616 | 17,627 |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 46 | 45 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | <u>6,971</u> | <u>13,616</u> |

* Cash and cash equivalents at the beginning and end of the financial period are net of deposits pledged to banks.

Note:
These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

**MICROLINK SOLUTIONS BERHAD (200301018362 (620782 - P))
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021**

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards ("MFRSs") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements ("ACE Listing Requirements") and should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 31 March 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2020.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2020 except for the newly-issued accounting framework - MFRS and IC Interpretations ("IC Int.") to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2020:

Amendments to References to the Conceptual Framework in MFRS Standards

Amendments to MFRS 3 Definition of a Business

Amendments to MFRS 101 and MFRS 108 Definition of Material

Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform

MFRS 17 Insurance Contracts

Amendments to MFRS 101 Classification of Liabilities as Current or Non-current

Annual Improvements to MFRS Standards 2018 - 2020

Amendments to MFRS 3 Reference to the Conceptual Framework

Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above did not have any significant effects on the interim financial statements upon their initial application.

A2 Audit report of preceding annual financial statements

The preceding audited financial statements for the financial year 31 March 2020 were not subjected to any qualification.

A3 Seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

A6 Dividend paid

On 27 November 2020, the Company declared a single-tier interim dividend of RM0.01 per ordinary share amounting to RM1.85 million payable for the financial year ending 31 March 2021. The dividend has been paid on 7 January 2021.

A7 Segmental information

The Group's reportable segments were identified as follows:-

- (i) Financial Services - Provision of business and technical services for financial institutions
- (ii) Enterprise Solutions - Provision of emerging technologies for enterprise
- (iii) Distribution Services - Distribution and maintenance of computer equipment and software
- (iv) Solution Delivery - Provision of project and software solutions delivery services

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A7 Segmental information (Cont'd)

| Business Segments | Financial Services RM'000 | Enterprise Solutions RM'000 | Distribution Services RM'000 | Solution Delivery RM'000 | Elimination RM'000 | Consolidation RM'000 |
|---|--------------------------------------|--|---|---|-------------------------------|---------------------------------|
| 12 months ended 31 March 2021 | | | | | | |
| External sales | 25,397 | 14,703 | 131,456 | 6,621 | - | 178,177 |
| Inter-segment sales | 11,898 | 566 | 3,664 | 524 | (16,652) | - |
| Total | 37,295 | 15,269 | 135,120 | 7,145 | (16,652) | 178,177 |
| Results | | | | | | |
| Segment results | 38,186 | 2,312 | (9,683) | 4,377 | 155 | 35,347 |
| Interest expense | (480) | (415) | (1,176) | (41) | 7 | (2,105) |
| Interest income | 111 | 166 | 86 | 3 | - | 366 |
| Taxation | 218 | (650) | (520) | (1,127) | - | (2,079) |
| Profit / (Loss) for the financial period | 38,035 | 1,413 | (11,293) | 3,212 | 162 | 31,529 |
| 12 months ended 31 March 2020 | | | | | | |
| External sales | 25,812 | 32,825 | 146,789 | 15,781 | - | 221,207 |
| Inter-segment sales | 11,083 | 456 | 4,163 | 842 | (16,544) | - |
| Total | 36,895 | 33,281 | 150,952 | 16,623 | (16,544) | 221,207 |
| Results | | | | | | |
| Segment results | 7,094 | 4,632 | 3,692 | 6,589 | (5,337) | 16,670 |
| Interest expense | (575) | (215) | (3,822) | (98) | 1,749 | (2,961) |
| Interest income | 140 | 58 | 175 | 1 | (18) | 356 |
| Taxation | (932) | (1,174) | (703) | (909) | - | (3,718) |
| Profit / (Loss) for the financial period | 5,727 | 3,301 | (658) | 5,583 | (3,606) | 10,347 |

A8 Valuation of property, plant and equipment

The Group did not carry out any valuation of its property, plant and equipment.

A9 Material events subsequent to the end of the quarter

There were no material events announced subsequent to the end of the current financial period under review up to the date of this announcement.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A11 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 21 May 2021 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

A12 Cash and bank balances

| | Current year as at 31 March 2021 RM'000 |
|---|--|
| Cash and bank balances | 6,951 |
| Fixed deposits with licensed financial institutions | 4,063 |
| | <u>11,014</u> |
| Less: Fixed deposits pledged with licensed banks | (4,043) |
| | <u>6,971</u> |

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS
B1 Review of performance

The summary breakdown of revenue by business segments of the Group is as follows:-

| | Individual Quarter | | | Cumulative Period | | |
|------------------------------|-------------------------|---------|----------|--------------------------|----------|----------|
| | 3 months ended 31 March | | | 12 months ended 31 March | | |
| | 2021 | 2020 | Variance | 2021 | 2020 | Variance |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Financial Services | 6,211 | 10,609 | -41% | 37,295 | 36,895 | 1% |
| Enterprise Solutions | 4,246 | 9,973 | -57% | 15,269 | 33,281 | -54% |
| Distribution Services | 29,902 | 48,311 | -38% | 135,120 | 150,952 | -10% |
| Solution Delivery | 582 | 2,066 | -72% | 7,145 | 16,623 | -57% |
| | 40,941 | 70,959 | -42% | 194,829 | 237,751 | -18% |
| Less : Inter Segment Revenue | (3,998) | (4,260) | | (16,652) | (16,544) | |
| Total Group Revenue | 36,943 | 66,699 | -45% | 178,177 | 221,207 | -19% |

The Group's revenue decrease in the current quarter under review by RM29.76 million as compared to the revenue achieved in the corresponding quarter of preceding year. The lower revenue was mainly attributable to lower order fulfilments and progress billings particularly in Distribution and Enterprise Solutions segments.

The summary breakdown of profit before taxation by business segments of the Group is as follows:-

| | Individual Quarter | | | Cumulative Period | | |
|--------------------------------|-------------------------|---------|----------|--------------------------|---------|----------|
| | 3 months ended 31 March | | | 12 months ended 31 March | | |
| | 2021 | 2020 | Variance | 2021 | 2020 | Variance |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Financial Services | 31,082 | 1,101 | 2723% | 37,817 | 6,659 | 468% |
| Enterprise Solutions | 1,165 | (182) | NA | 2,063 | 4,475 | -54% |
| Distribution Services | (11,937) | 8,157 | NA | (10,773) | 45 | NA |
| Solution Delivery | (242) | (282) | -14% | 4,339 | 6,492 | -33% |
| | 20,068 | 8,794 | 128% | 33,446 | 17,671 | 89% |
| Add : Elimination | (70) | (3,786) | | 162 | (3,606) | |
| Profit before taxation ("PBT") | 19,998 | 5,008 | 299% | 33,608 | 14,065 | 139% |

The Group recorded a PBT of RM20.00 million in the current quarter under review as compared to RM5.01 million in the previous corresponding quarter due to higher contributions from Financial Services segment. This was mainly due to the reversal of the Software Development Expenditure impairments as a result of successful closure of new contracts and significant prospects for the Financial Services segment. The Distribution Services segment however, incurred losses during the financial quarter as a result of specific provisions made for uncollectible debts for services rendered.

Material change in profit before taxation for the quarter reported as compared with the immediate preceding quarter

| | Current Quarter | Immediate Preceding Quarter | Change |
|------------------------|-----------------|-----------------------------|--------|
| | RM'000 | RM'000 | % |
| Revenue | 36,943 | 45,052 | -18% |
| Profit before taxation | 19,998 | 5,195 | NA |

The Group recorded decrease in revenue by RM8.11 million in the current quarter as compared to the immediate preceding quarter mainly attributable to lower order fulfilments and progress billings.

The increase in PBT by RM14.80 million in the current quarter as compared to the immediate preceding quarter is mainly attributable to reversal of the Software Development Expenditure impairments and specific provisions made for uncollectible debts.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS (Cont'd)
B2 Prospects

The ongoing COVID-19 pandemic has continued to cause numerous disruptions in the business environment and the Group has to adapt to the new norm of operations in order to ensure timely delivery of products and services to meet our obligations to clients.

Moving into the new financial year, the Board of Directors remains optimistic in delivering positive results despite the uncertainty caused by the COVID-19 pandemic as the outlook of ICT industry remains robust and business opportunities continue to expand.

B3 Profit forecast or guarantee

There were no profit forecast or profit guarantee issued by the Group and the Company.

B4 Income tax expense

| | Current quarter 31 March 2021 RM'000 | Cumulative 31 March 2021 RM'000 |
|-------------------------|--|---------------------------------------|
| Taxation - current year | (650) | (1,435) |
| Taxation - prior year | (416) | (644) |
| Deferred tax | - | - |
| Total | <u>(1,066)</u> | <u>(2,079)</u> |

B5 Unquoted investments and properties

There were no purchase or disposal of unquoted investments and properties during the financial period under review.

B6 Quoted securities

There were no acquisitions or disposals of quoted securities during the financial period under review.

B7 Corporate exercise and utilisation of proceeds

On 23 December 2020, the Company announced that the Company has completed its Restricted Issue of up to 55,629,240 new ordinary shares ("Restricted Shares") in Microlink. The utilisation of proceeds are as follows:-

| Purpose | Proposed Utilisation RM'000 | Actual Utilisation RM'000 | Intended Timeframe for Utilisation | Deviation RM'000 | Explanation |
|---|--------------------------------|------------------------------|--|---------------------|--|
| (i) Working capital for Group's project | 49,634 | 43,334 | Within 18 months | - | The remaining proceeds is expected to be utilised within the intended timeframe. |
| (ii) Expenses in relation to the Restricted Issue | 400 | 400 | Within 1 month | - | |
| Total | <u>50,034</u> | <u>43,734</u> | | <u>-</u> | |

Saved as disclosed above, there is no corporate exercise announced but not completed during the period under review.

B8 Group's borrowings and debt securities

The Group's bank borrowings are as follows:

| | As at 31 March 2021 RM'000 | As at 31 March 2020 RM'000 |
|--------------------------------------|----------------------------------|----------------------------------|
| Short term bank borrowings - secured | 20,388 | 13,058 |
| Long term bank borrowings - secured | - | - |
| Total borrowings | <u>20,388</u> | <u>13,058</u> |

B9 Off balance sheet financial instruments

Bank guarantees amounting to RM0.30 million have been issued.

B10 Material litigation

The Group is not engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies as at the date of this announcement.

B11 Dividends

On 27 November 2020, the Company declared a single-tier interim dividend of RM0.01 per ordinary share amounting to RM1.85 million payable for the financial year ending 31 March 2021. The dividend has been paid on 7 January 2021.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE LISTING REQUIREMENTS (Cont'd)

B12 Earnings per share

Basic earnings per share

The calculation of the basic earnings per share is based on the net profit for the financial quarter and period under review divided by the weighted average number of ordinary shares in issue during the quarter.

| | Individual Quarter 31 March 2021 | Cumulative Quarter 31 March 2021 |
|---|---|---|
| Profit attributable to owners of the parent (RM) | 19,029,000 | 31,506,000 |
| Weighted average number of ordinary shares in issue | 241,218,227 | 200,203,482 |
| Basic earnings per share (sen) | <u>7.89</u> | <u>15.74</u> |

B13 Authorisation for issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the directors dated 28 May 2021.

MICROLINK SOLUTIONS BERHAD 200301018362 (620782 - P)

28 May 2021